

From: Stephen Knight <sknight@savesfbay.org>
To: <AGreenberg@waterboards.ca.gov>
Date: Tuesday, July 06, 2010 1:28 PM
Subject: "Inhospitable to man or beast"
Attachments: Arizona Republic 04.18.10Developer hopes to transform salt site.doc; DMB Industrial Ad Jan2010.jpg

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Attached is the AZ Republic article with the quote I mentioned.

Also see the attached advertisement, "Redevelop this Industrial Site?"

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Stephen Knight
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<http://saveSFbay.org> | Check out Save The Bay's new website!

REDEVELOP THIS INDUSTRIAL SITE?



Address Regional Needs: Reduce Commutes, Traffic Congestion and Greenhouse Gases

Two million workers commute into San Francisco and San Mateo Counties every week to local jobs. They drive in from places such as Santa Rosa, Fairfield, Stockton, Livermore, Gilroy and even Salinas.

These commuters are the main reason why Bay Area freeways and bridges are so badly congested. They are also a major cause of greenhouse gas emissions in our region.

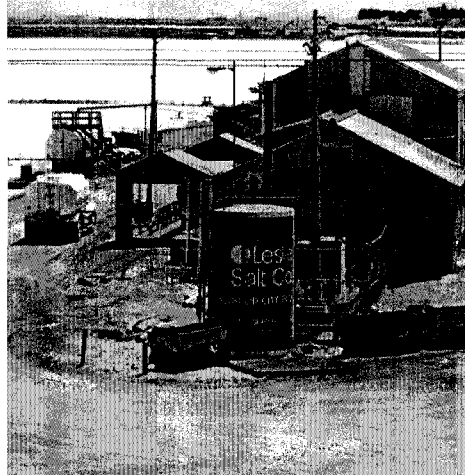
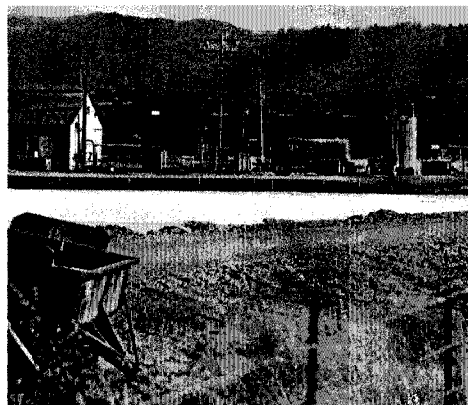
Wouldn't it be nice if we could get some of these commuters off the freeways and bridges — to reduce traffic and greenhouse gases?

The more than 1,400-acre (two square miles) Redwood City Industrial Saltworks site pictured here is located in Redwood City. This property has been used for industrial salt harvesting operations for more than 100 years. It has been permitted as an "industrial" site by the Federal Government since 1940.

After three years of community meetings and forums, a smart growth approach has evolved for this site that utilizes green

building and transit-oriented planning principles to address — among other things — workforce housing, traffic congestion and greenhouse gas emissions.

This industrial site offers a once in a generation chance to solve some important regional needs. *We believe that's a solution worth considering.*



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A PAPERWORK GREAT PLACE

Lewis said Save the Bay is determined to stop the development and would like Cargill to sell the property to a federal or local conservation group. "This proposal is at odds with the city's general plan. Why not build a nuclear power plant next to City Hall?" Lewis said.

A mayor's support

Art Agnos, former San Francisco mayor and regional director of the U.S. Department of Housing and Urban Development in the Clinton administration, said he was contacted the same day by both DMB and Save the Bay about the project. After taking a closer look at the proposal Agnos was impressed, enough so that he has become a paid spokesman for the project.

"My whole career, I have been paid to make good public policy by citizens; for the first time, I found a private company paying me to do the same," Agnos said. "In my 35 years of experience dealing with developers I have never seen anything like this, where a company was addressing 21st-century environmental issues. They should be celebrated for their progressive policies." Agnos went on to emphasize that the project "does not put one shovel of dirt in the bay," and that if it were doing anything damaging to the bay, it would be a project he opposed.

Next steps

The Redwood City Council, which unanimously approved the request for the environmental-impact report, now is looking to find a company to serve as the prime consultant. The report is projected to take 18 months to two years to complete. The extended timeline and challenges add uncertainty to the project.

Tim Frank, a sustainability consultant on the project, said if the DMB proposal were to run aground, selling the property to a conservation group wouldn't be a likely alternative. Most likely, he said, the property would remain as an industrial salt-harvesting facility. "There is no willing seller, Cargill is making money on the site and has every reason to continue to do so if they don't get approval to build here," Frank said.

THE ARIZONA REPUBLIC

azcentral.com

Developer hopes to transform salt site

by Austen Sherman - Apr. 18, 2010

About five years ago, agribusiness giant Cargill Inc. approached real-estate developer DMB Associates Inc. Cargill owned a site at the edge of the San Francisco Bay, a site used for commercial salt production since 1901. It wanted to partner with Scottsdale-based DMB to redevelop the industrial site in Redwood City, Calif.

After years of study and community outreach, a plan is evolving to create a mixed-use development, with half of the land earmarked for affordable housing for an estimated 30,000 people, plus retail and recreation uses. The other half of the land would be open space, with special attention given to wetlands and tidal marsh restoration.

The Saltworks project, which would be about 25 miles south of San Francisco and north of the Silicon Valley, has garnered interest far beyond the Redwood City community. It has attracted attention from conservation groups such as Save the Bay, which believes the property should be restored to tidal marshlands and used solely as a habitat for marine life.

The development has become the focus of contentious debate, with Redwood City recently authorizing the preparation of an environmental-impact report.

DMB says the project creates housing for working families and adds to the tax base, in addition to restoring usable open space. "This is a very heavily manipulated industrial site," Eneas Kane, DMB chief executive, said. "We are taking these 2 square miles of land that is inhospitable to man or beast and creating something different out of it."

However, Save the Bay and other groups are digging in against it. "It is really like we are going back to the Dark Ages and destroying more of our greatest natural treasure," said David Lewis, executive director of Save the Bay.

Community focus

DMB, founded in 1984, has developed a variety of commercial, resort and home communities in Arizona, California, Hawaii and Utah, including Centerpoint on Mill in Tempe, DC Ranch in Scottsdale, Marley Park in Surprise and Verrado in Buckeye. The company also is the developer for the Mesa Proving Grounds, which began in 2008 but has been slowed because of market conditions. Its goal is to create "places that complement and enhance the greater communities of which they are a part."

DMB first became involved in the Saltworks effort in 2005, meeting with Cargill real-estate representatives. According to DMB, Cargill is a typical partner; because of its private equity, DMB often is sought after by longtime family-run businesses. DMB officials say the project evolved from community discussions. In their experience, they said, plans based on community input have always been the most successful.

"For two years, we engaged with the community, asking them their priorities for the future," said John Bruno, DMB senior vice president and Redwood City Saltworks general manager. "We have 10,000 unique responses through a number of measures. The vast majority wanted to know if we could find a balance (between development and conservation)."

The proposed plan, known as the "50/50" plan, would create 12,000 "affordable" housing units with the potential to house 30,000 people. DMB says it is committed to housing that costs 15 percent below market rate in the pricey Bay Area. Five sites are targeted for elementary and high schools.

The plan also would create a 63-acre sports and recreation facility, and a 140-acre Bayside park that would have 3.2 miles of Bayside trail that would connect to the rest of Redwood City. The project calls for 804 acres of open space, 450 of which would be restored wetlands.

The price tag for the project is uncertain until further research is completed, DMB officials said. But no taxpayers' dollars or incentives are involved. DMB uses its own equity, along with its partners' funds, to develop projects over several years. "This project will generate tens of millions of dollars in property taxes," Bruno said. "At the top level it creates a tax base, open space, and most importantly housing for working families."

DMB also calls the project self-sustainable. The project would use a private water source acquired by DMB that Bruno said was enough for the project "as well as future city needs." One early stumbling block was that Redwood City did not have the additional water supply to support this large of a proposal. Bruno said that the Saltworks project would use recycled water for toilets and irrigation to drastically reduce the demand for potable water.

As part of the construction, DMB also would raise and secure the current levies to make sure rising sea levels will not affect the property.

Silicon Valley access

Beyond the wetlands restoration, the industrial reclamation project offers affordable housing in an area that has precious little of it. Redwood City is located near Silicon Valley, an area that is rich in job opportunities but limited both in its number of homes and their affordability. DMB estimates that about 40,000 people commute into the area every day, a number the project could reduce. "It helps the traffic counts because it takes cars off the road and reduces VMT (vehicle miles traveled), a significant contributor to climate change," Bruno said. "Possibly the most significant."

Zoning flap

One dispute over the project centers on the zoning designation. Under Redwood City zoning the Cargill flats are labeled as "tidal plain district." DMB believes under this designation it has the right to move forward with the project. Save the Bay takes the opposite stance.

According to the zoning ordinance, the purpose of a tidal plain district is "to create a district for the marsh lands adjacent to San Francisco Bay and to permit certain types of development therein of a relatively temporary nature which can ultimately be replaced by permanent development under another more appropriate zoning district." Under the ordinance, DMB wouldn't be allowed to build "permanent" structures, but the ordinance makes it clear that opportunity exists to rezone for those structures.

Environmental foes

But essentially, the plan's opponents say preserving 50 percent of the land for open space simply isn't enough and takes away the potential to restore all 1,400 acres. Groups such as the Center for Biological Diversity, the Endangered Species Coalition, and the California Assembly on Water, Parks, and Wildlife Committee have joined Save the Bay in opposition to the Saltworks project.

More than 100 elected officials have also expressed their concern about the project through a petition created by Save the Bay. The petition hopes to block the next step in the approval process for Saltworks, having the city conduct an already approved Environmental Impact Report, or EIR. "There is no requirement nor is there a benefit of doing a long, costly, and controversial study on a project that should not be contemplated in the first place," Lewis said.

"It is a pretty stunning proposal because the last 50 years we have stopped filling the bay and stopped building on properties like this." One of the biggest issues for Save the Bay is its contention that DMB is "filling the Bay" by taking away wetlands, an allegation denied by the company.

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